

March 1, 2010

Public Service Commission of South Carolina  
Att: Docketing Dept.  
P.O. Drawer 11649  
Columbia, SC 29211

RE: Docket No. 2009-489-E

Dear Commissioners,

According to the web site, SCE&G is the principal subsidiary of SCANA Corporation, a \$10 billion Fortune 500 energy-based holding company, whose businesses include regulated electric and natural gas utility operations and other non-regulated energy-related businesses.

We are enduring one of the toughest economic times since the depression. An additional rate boost would be an unreasonable burden on the SCE&G customer base.

SCE&G said employees have remained focused on controlling costs in the face of economic upheaval. SCE&G blamed the Federal Government for the rate increase need and along the way decided to pay off 2005 Lake Murray dam improvements. The dam improvement funding is not a new sudden increase. A solid long-range plan should have addressed the 2005 Lake Murray Dam project. We would suggest that need for this rate boost came due to a lack in long-range planning and lack of serious cost cutting in tough economic times.

A 4.4 per cent rate hike and a 2.5per cent annual increase are in place for the next decade. That should be it as far as rate boosts go. We would suggest that SCE&G look within the company or SCANA for assistance. After all, we are talking about a \$10 billion Fortune 500 holding company.

SCE&G said. "We believe the phase-in approach balances the impact on our customers with the company's need to recover its costs." A phased-in approach (6-month increment) is hard to follow when SCE&G depicts the rate hike. Pay raises and cost of living adjustments do not normally increase every six months. The adjustment norm, we think, is an annual basis. The rate hike request breaks down for us to 6.25 per cent the first year and another 3.27 per cent the next year. We received no cost of living adjustment this year. The rate hike, if approved will have to be taken from retirement already budgeted for other household expenses such as food, gasoline, water, and travel. Six and one-quarter percent will come directly out of our retirement income. A 3.27 per cent increase follows the next year and it is unknown if a cost of living adjustment will be received to pay for the remainder of the rate boost (if approved). Although SCE&G recognizes "the financial challenge", we disagree.

Even as rates continue to rise, SCE&G said electricity remains a good value. "If you're an SCE&G customer using 1,000 kilowatt hours a month.....for around \$4 a day. SCE&G said that's an